

North Carolina Department of Health and Human Services  
**Division of Budget and Analysis**  
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Michael F. Easley, Governor  
Dempsey Benton, Secretary

James B. Slate, Jr., Director

June 26, 2008

**MEMORANDUM #2008-09**

TO: Division Directors  
Office Directors  
Budget Officers

FROM: Jim Slate 

SUBJECT: Change in IRS Mileage Rate and the Allowable Rate of Reimbursement for  
Travel on Official Business

In a memorandum dated June 26 2008, from the Office of State Budget and Management, all Departments were notified that the IRS business mileage rate has been increased from 50.5 cents per mile to 58.5 cents per mile effective July 1, 2008 through December 31, 2008.. In compliance with G.S.138-6(a)(1), the Office of State Budget and Management will adjust the allowable rate of reimbursement for travel by officers and employees on official state business that operate from funds deposited with the State Treasurer.

The standard mileage rate set by the IRS will be paid to State officers and employees who use their personal vehicle for state business and the roundtrip distance does not exceed 100 miles. In addition, if a state owned vehicle is not available for the employee's state business travel regardless of the distance, he or she shall be reimbursed at the IRS rate. In a memorandum dated June 6, 2008, the Office of State Budget and Management announced an increase in the motor fleet rate for mileage from 25 cents to 33 cents. This rate applies to officers and employees who choose to use their personal vehicle on trips that exceed 100 miles roundtrip when a state vehicle is available.

If you have any questions, please contact your DHHS Budget Analyst in this office.

JBS:gg

Attachment

cc: Dempsey Benton Jackie Sheppard  
Dan Stewart DHHS Budget Analysts